Global Hydrogen Policy Tracker - United Kingdom

Hydrogen Developments

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Implementation stage

**May 2024:**On 1 May 2024, the Department for Energy Security and Net Zero (DESNZ) announced that the government's Strategy and Policy Statement (SPS) for UK energy policy, presented to Parliament in February 2024, has officially come into force. The SPS outlines the Government's strategic priorities and goals for UK energy policy, emphasising the desired outcomes from implementing these policies. Key strategic priorities and outcome include:

Promoting clean energy and upgrading to net-zero infrastructure.

Protecting consumers from price volatility and energy insecurity.

Preparing the energy system for future demands and improvements.

Renewable and low-carbon gases, such as hydrogen, will become essential alongside electricity in delivering greener energy for industry, power, transport and potentially home heating. The SPS aims to direct the energy sector on the actions and decisions needed to meet the Government's policy goals, emphasising areas where a strategic shift in the industry is anticipated.

Source: [**Strategy and policy statement for energy policy in Great Britain**](https://www.gov.uk/government/publications/strategy-and-policy-statement-for-energy-policy-in-great-britain#:~:text=The%20Strategy%20and%20Policy%20Statement%20came%20into%20force%20on%201,this%20Strategy%20and%20Policy%20Statement.&amp;text=The%20Strategy%20and%20Policy%20Statement%20has%20been%20designated%20and%20is,as%20of%201%20May%202024.&amp;text=Added%20Explanatory%20memorandum.)

**February 2024:** On 27 February 2024, the government initiated a call for evidence to shape the design of the Green Industries Growth Accelerator (GIGA) fund. This follows a November 2023 commitment of £960 million aimed at bolstering sustainable clean energy supply chains nationwide. The fund targets advancements in technologies, such as carbon capture, hydrogen, offshore wide, electricity, and civil nuclear, as part of a broader £4.5 billion initiative to support strategic sectors and stimulate private sector investment in manufacturing across the UK.

Source: [**Green Industries Growth Accelerator: hydrogen and CCUS supply chains**](https://www.gov.uk/government/calls-for-evidence/green-industries-growth-accelerator-hydrogen-and-ccus-supply-chains#:~:text=The%20Green%20Industries%20Growth%20Accelerator,gas%20removals%20(%20GGRs%20)%20and%20hydrogen)

**December 2023:**On 14 December 2023, the Department for Energy Security and Net Zero (DESNZ) published its comprehensive hydrogen production delivery roadmap, outlining its strategic vision for the hydrogen landscape leading up to 2035. The Government's hydrogen production plans include:

Allocating up to 4GW of low-carbon hydrogen production, using carbon capture, utilisation, and storage (CCUS) technologies and an additional 6GW to electrolytic hydrogen production by 2030.

Running annual allocation rounds for electrolytic projects and other innovative technologies from 2025 to 2030.

Allocating up to 875MW in the second hydrogen allocation round.

Allocating up to 1.5GW in the third and fourth allocation rounds in 2025 and 2026.

Reassessing and renewing the deployment trajectory in 2025.

The government aims to attract substantial investment to the UK through these plans, creating significant opportunities for UK companies in the supply chain and skills sector, and delivering broader economic benefits to all regions across the country.

Source: [**Hydrogen production delivery roadmap**](https://www.gov.uk/government/publications/hydrogen-production-delivery-roadmap)

**October 2023**: The landmark Energy Act 2023 became law. One of they key goals of the Act is to accelerate the development and growth of low carbon technologies, such as hydrogen, by legislating for business models to attract private investment. The Act includes provisions:

Underpinning the delivery of the Hydrogen Production Business Model ( a revenue support contract to be used for both electrolytic and low carbon hydrogen projects).

Enabling the delivery of the hydrogen transportation and storage business models.

Including powers to designate a hydrogen production counterparty, to make regulations establishing a levy to fund hydrogen business model payments, and to appoint a levy administrator.

Facilitating the first large village hydrogen heating trial.

Establishing a new, publicly owned Future System Operator that will bring together the planning for the electricity and gas systems, and potentially systems for new technologies like hydrogen and carbon capture and storage, into a single institution to enhance our ability to transition to a zero-carbon energy system and reduce the costs involved.

Source: [Energy Act 2023](https://www.legislation.gov.uk/ukpga/2023/52)

**September 2023:**On 26 September 2023, the UK and Germany signed a joint declaration of intent to collaborate on advancing the international hydrogen industry. The agreement outlines five key pillars of cooperation:

Expediting the implementation of hydrogen projects for both industrial and consumer use.

Assuming a leading role in global hydrogen markets, establishing safety standards and regulations to facilitate trade.

Engaging in research and innovation across the entire hydrogen lifecycle, from production to utilisation.

Encouraging trade in hydrogen, along with associated goods, technologies and services.

Collaborating on market analysis to assist industries in planning and investment decisions.

Substantial investments are being made by both nations in advancing hydrogen as a viable alternative fuel. The Government is supporting the development of low-carbon hydrogen production through funding from the £240 million Net Zero Hydrogen Fund and revenue assistance from the Hydrogen Production Business Model. Such initiatives are geared towards enhancing the affordability and accessibility of hydrogen technologies, with the ultimate goal of lowering energy expenses for consumers.

Source: [**UK and Germany partner to further advance hydrogen developments**](https://www.gov.uk/government/news/uk-and-germany-partner-to-further-advance-hydrogen-developments?utm_medium=email&amp;utm_campaign=govuk-notifications-topic&amp;utm_source=0b0f4738-2a3e-4d7d-bcca-99eed4443810&amp;utm_content=immediately)

**April 2023:**On March 30, 2023, the UK Government released a package of policy plans related to decarbonization and energy initiatives it has termed “Powering Up Britain”. For hydrogen, the Government has confirmed the first winning projects from the already established GBP 240 million Net Zero Hydrogen Fund and announces a shortlist of projects for the first electrolytic hydrogen production allocation round, with the second round to be launched in Q4 2023.

Source: [**United Kingdom: Government Publishes “Powering Up Britain” Plans**](https://insightplus.bakermckenzie.com/bm/projects/united-kingdom-government-publishes-powering-up-britain-plans)

**February 2023**: The Environment Agency has today published [**regulatory guidance**](https://www.gov.uk/government/publications/emerging-techniques-for-hydrogen-production-with-carbon-capture) on the production of hydrogen from methane with carbon capture, otherwise known as ‘blue’ hydrogen. The guidance will help businesses design and develop industrial facilities for the production of ‘blue’ hydrogen, a low-carbon energy carrier that is a key feature of the UK’s new hydrogen strategy, launched in August last year.

Source: [**Environment Agency publishes guidance on production of ‘blue’ hydrogen**](https://www.gov.uk/government/news/environment-agency-publishes-guidance-on-production-of-blue-hydrogen)

**February 2023**: The UK government has issued a new certification scheme to verify the sustainability of low-carbon hydrogen, building transparency and confidence across the energy sector. The scheme intends to use the methodology set out in the UK’s [**Low Carbon Hydrogen Standard**](https://www.gov.uk/government/publications/uk-low-carbon-hydrogen-standard-emissions-reporting-and-sustainability-criteria) as the basis of the certification.

Source: [**New UK certification to boost British hydrogen sector**](https://www.gov.uk/government/news/new-uk-certification-to-boost-british-hydrogen-sector)

**January 2023:**The UK and UAE governments have signed a Memorandum of Understanding (MoU) which will help facilitate the sharing of technical knowledge, advice, skills and expertise, opening up new avenues for cooperation on energy and climate, while boosting jobs and investment in the UK.

Source: [**UK and United Arab Emirates agree to boost energy security and unlock investment**](https://www.gov.uk/government/news/uk-and-united-arab-emirates-agree-to-boost-energy-security-and-unlock-investment)

**June 2022:** The UK has reached an agreement to modernize the terms of the Energy Charter Treaty (ECT). This agreement supports the Prime Minister's recent [**Energy Security Strategy**](https://www.gov.uk/government/publications/british-energy-security-strategy/british-energy-security-strategy) by establishing new protection for taxpayers and private sector investors and reducing the risk of potentially costly legal challenges on the road to net zero by 2050.

Source: [**UK strengthens protections for taxpayers in energy treaty negotiations**](https://www.gov.uk/government/news/uk-strengthens-protections-for-taxpayers-in-energy-treaty-negotiations)

**April 2022**: Following the government’s announcement of the creation of a new Future System Operator (FSO) to oversee the UK’s energy system including emerging technologies and the arrival of the UK Energy Security Strategy, on 8 April 2022, the UK government published a package of proposals in support of UK hydrogen policy, including in particular a policy paper titled  "[**Hydrogen Investor Roadmap: Leading the Way to Net Zero**](https://www.gov.uk/government/publications/hydrogen-investor-roadmap-leading-the-way-to-net-zero)". The paper reiterates the government's pledge made in the Strategy to double its 5GW low-carbon hydrogen target to 10GW by 2030, with the intention that at least half of this production will come from electrolytic hydrogen. The paper aligns with the approach laid out in the Strategy to utilize excess offshore wind power to drive down hydrogen production costs.

Source: [**UK Government Publishes Hydrogen Investment Roadmap | Insight | Baker McKenzie**](https://www.bakermckenzie.com/en/insight/publications/2022/04/uk-hydrogen-investment-roadmap)

**January 2022:**The Department for Business, Energy and Industrial Strategy (BEIS) in the UK launched a new program on 12 January 2022 to assist in the development of innovative technologies to produce hydrogen from sustainable biomass and waste. The new [**Hydrogen BECCS Innovation Programme**](https://www.gov.uk/government/publications/hydrogen-beccs-innovation-programme) supports the development of technologies to produce hydrogen that is generated by BECCS (bioenergy with carbon capture and storage). The BECCS process produces hydrogen from biomass and waste and then can capture and store the carbon that is released during the process.

Source: [**Government launches new scheme for technologies producing hydrogen from biomass - GOV.UK**](https://resourcehub.bakermckenzie.com/en/resources/hydrogen-heat-map/emea/united-kingdom/topics/www.gov.uk)

**September 2021:**The Secretary of State for Business, Energy and Industrial Strategy (UK) and the Emirati Minister of Industry and Advanced Technology have signed a bilateral Memorandum of Cooperation on Industrial and Advanced Technologies Collaboration. The Memorandum seeks to enable greater collaboration between the UK and the UAE on a broad range of shared priorities, including the development of life sciences, space, hydrogen, and broader industrial sectors, including supply chain resilience, regulations and standards.

Source: [**UK Government**](https://www.gov.uk/government/news/uk-united-arab-emirates-memorandum-of-cooperation-on-industrial-and-advanced-technologies-collaboration)

**August 2021:**  In the run-up to the United Nations Climate Change Conference (COP26), the UK has published its first-ever Hydrogen Strategy. The strategy promises to deliver 9,000 jobs, GBP 4 billion in investment, and new export opportunities by creating a thriving low-carbon hydrogen sector in the UK over the next 10 years and beyond. It builds on the prime minister's determined Ten Point Plan for a Green Industrial Revolution by depicting how the UK government will work with industry to meet its ambition for 5 gigawatts of low-carbon hydrogen production capacity by 2030.

Source: [**UK Government Hydrogen Strategy**](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1011283/UK-Hydrogen-Strategy_web.pdf)

**December 2020:** The UK Government published the "Energy White Paper: Powering our net zero future", which sets out how the UK will clean up its energy system and reach net zero emissions by 2050. The paper discusses the process for decarbonizing the UK energy system over the next 30 years by replacing fossil fuels with clean energy technologies such as renewables, nuclear, and hydrogen. It includes a further commitment on the part of the Government to invest in new hydrogen technologies.

Source: [**UK Government - Energy White Paper**](https://www.gov.uk/government/publications/energy-white-paper-powering-our-net-zero-future)

**November 2020:** On 18 November 2020, the UK Government published a policy paper entitled "The Ten Point Plan for a Green Industrial Revolution". The plan supports the Government's sustainability goals and focuses on clean energy, environment protection, and emissions reduction. The second point of the plan is aimed at driving the growth of low-carbon hydrogen and developing 5 GW of low-carbon hydrogen production capacity by 2030. Further, the Government will support the growth of clean hydrogen financially and promised that a range of measures will support it, including a GBP 240 million Net Zero Hydrogen Fund and new hydrogen business models, including a revenue mechanism to attract private sector investment.

Source: [**UK Government - Ten Point Plan**](https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution)

**September 2020:** Trials of the first-ever hydrogen train began in England at the start of October 2020, and a hydrogen transport hub is in the pipeline. The Department for Transport issued a grant to help the development work and construction of the hydrogen-fueled train. In addition, the government will fund GBP 23 million to the "Hydrogen for Transport Program".

Source: [**UK embraces hydrogen-fuelled future as transport hub and train announced**](https://www.gov.uk/government/news/uk-embraces-hydrogen-fuelled-future-as-transport-hub-and-train-announced)

**October 2019:** Two competitions (deployment and roadmaps) run by UK Research and Innovation on behalf of the government opened to help the country achieve net zero emissions by 2050 as part of the Industrial Decarbonization challenge. The Industrial Decarbonization Challenge will commit GBP 170 million towards deploying technologies like carbon capture and hydrogen networks in industrial clusters, supporting the Industrial Clusters Mission to establish the world’s first net zero industrial cluster by 2040.

Source: [**UK plans to fund new technologies to decarbonise industrial clusters**](https://www.ukri.org/news/uk-plans-to-fund-new-technologies-to-decarbonise-industrial-clusters/)

**August 2019:** Five new Decarbonizing Transport Networks+ announced supported by GBP 5 million of funding from UK Research and Innovation, including one network for hydrogen-fueled transportation.

Source: [**Project tackles barriers to low carbon transport 5 million funding**](https://www.cardiff.ac.uk/news/view/1567554-cardiff-project-tackles-barriers-to-low-carbon-transport)

**August 2019:** GBP 390 million in government funding was announced to help the industry cut emissions including a GBP 40 million Hydrogen and Fuel Switching Innovation Fund (which provides funding to two existing government programs, a GBP 20 million Hydrogen Supply program and GBP 20 million Industry Fuel Switching competition), a new GBP 100 million competition to enable the greater supply of low carbon hydrogen to help business decarbonize and a new GBP 250 million Clean Steel Fund to support the iron and steel industry to transition to a low carbon future, including using hydrogen.

Source: [**Hydrogen part of UK 390 million funding package**](https://bioenergyinternational.com/hydrogen-part-of-uk-government-390-million-funding-package/)

**June 2019:** GBP 33 million new government investment through the Advanced Propulsion Centre announced to development of the next generation of low-carbon vehicles, including to a hydrogen-powered engine project.

Source: [**uk/new funding in low carbon automotive future**](https://www.apcuk.co.uk/new-funding-heralds-uks-leadership-in-low-carbon-automotive-future/)

**June 2019:** GBP 26 million funding awarded to nine carbon capture, utilization and storage projects.

Source: [**UK’s largest carbon capture project to prevent equivalent of 22,000 cars’ emissions from polluting the atmosphere from 2021**](https://www.gov.uk/government/news/uks-largest-carbon-capture-project-to-prevent-equivalent-of-22000-cars-emissions-from-polluting-the-atmosphere-from-2021)

**May 2019:** GBP 25 million government investment was announced to fund zero-emission transport innovations including a feasibility study into the potential of hydrogen fuel cell technology as a zero-emission solution for utility and off-road vehicles.

Source: [**Government awards £25 million to fund zero-emission transport innovations**](https://www.gov.uk/government/news/government-awards-25-million-to-fund-zero-emission-transport-innovations)

**Scotland**

**May 2023**: On May 10, 2023, at the All-Energy conference in Glasgow, First Minister Humza Yousaf announced the Hydrogen Innovation Scheme which will provide Scottish Government funding of GBP 7 million toward green hydrogen. This funding will support 32 projects to drive innovation, storage and distribution of renewable hydrogen.

Source:  [**Scottish Government investing in green hydrogen**](https://www.gov.scot/news/investing-in-green-hydrogen/)

**September 2021:**A Scottish project that aims to accelerate the commercial deployment of floating tidal energy has secured the European Commission's support. The EUR 26.7 million project will see the installation of turbine technology that will be integrated with a green hydrogen production facility and battery storage at the European Marine Energy Centre in Orkney, Scotland. The project will be delivered by a pan-European consortium led by the Scottish developer Orbital Marine Power. The consortium has secured EUR 20.5 million from the European Union's Horizon 2020 research and innovation program.

Source: [**Hydro Review**](https://www.hydroreview.com/hydro-industry-news/ec-chooses-orbital-marine-power-to-lead-forward-2030-tidal-energy-project/#gref)

**21 December 2020:**On 21 December 2020, the Scottish Government published a Hydrogen Policy Statement, setting out aims to generate 5GW of renewable and low-carbon hydrogen by 2030 – enough to power the equivalent of 1.8 million homes. Over the next five years, the energy sector will receive GDP 100 million of public funding. The statement includes a target for net zero emissions by 2045, and this will be achieved in part by producing clean hydrogen.

Source: [**Scottish Government- Hydrogen Policy Statement**](https://www.gov.scot/publications/scottish-government-hydrogen-policy-statement/pages/2/)

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